

4 MAR 1965

MEMORANDUM FOR: Assistant Director for Computer Services

SUBJECT: H.R. 4845 - Automatic Data Processing

1. Reference is made to conversations held between our offices concerning the subject bill. H.R. 4845 is a somewhat modified version of the bill Congressman Brooks also introduced in the 88th Congress and which passed the House.

2. As you know, the bill is proposing an amendment to the Federal Property and Administrative Services Act of 1949. The Agency has been granted a specific exclusion under that Act. However, subsection (e) of the bill revokes that exclusion with respect to the provisions of the bill. For this reason, I think that we should now be developing an Agency position on the bill before it comes up for hearings.

3. It is assumed that the conclusion you will reach in your analysis of the bill is that the Agency's automatic data processing program should not be geared into the bill's centralized program for security and other reasons. It seems that the main question then facing us concerns available alternatives to assure that the bill does not impair our program. These alternatives include:

- (a) to work for a specific Agency exemption in the bill;
- (b) to suggest language changes necessary to satisfy our requirements without specifically exempting the Agency;
- (c) to obtain assurances that GSA can and will delegate whatever authority is needed by us to preserve the integrity of our program.

4. I don't think that a detailed analysis of the bill by me will serve any useful purpose at this time. However, I do want to point out certain provisions which seem to cloud the bill's stated objectives.

(a) Subsection (b) (2). This provision authorizes the Administrator GSA authority to delegate certain of his authority to Federal agencies. Note whereas a specific determination by the Administrator is called for in instances where such delegation is based on grounds of "efficiency and economy," this is not the case where grounds are that "action is essential to the national defense of national security." The question is then upon what facts are the latter type of delegations made? While subsection (b) (2) seems to underscore the fact that centralized acquisition and use in sensitive areas is not the objective of the bill, it still leaves unanswered the question, that if this is so, why not provide specific exemptions for agencies like CIA? Under subsection (b) (2), while the Administrator could delegate his authority to CIA, he could also ferret any "non-sensitive" area within the Agency for the application of his prerogatives.

(b) Subsections (a) and (g). While subsection (a) contains a general grant of authority for the Administrator GSA and directs the coordination by him of the Government's automatic data processing program, subsection (g) delineates and delimits this general grant by providing that (1) he may not interfere with Agency determinations regarding automatic data processing requirements, nor with Agency control and use of automatic data processing equipment, and (2) in the absence of Agency agreement with his determinations, the matter is to be kicked upstairs to the Bureau of the Budget for decision.

5. I will be looking forward to sitting down with you at your earliest convenience to get your analysis of the problem and suggestions as to what our position should be. In this connection, I expect that you may want to touch base with Office of Logistics in connection with the provision of the bill which brings certain contractor automatic data processing equipment within its purview if the equipment is purchased at the "expense of Federal agencies."

SIGNED

JOHN S. WARNER
Legislative Counsel

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